GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:2393
ANSWERED ON:06.08.2003
INFOTECH PACT WITH CHINA
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Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether during the recent visit of the Prime Minister to China the issues relating to professional services, including Technocrats and information technology professionals were discussed;

(b) whether joint institutional mechanism with China to compete jointly for international software contracts was taken up for discussion; and

(c) if so, the details thereof and the response of the Chinese Government to this proposal?

Answer

MINISTER OF STATE FOR COMMUNICATIONS AND INFORMATION TECHNOLOGY(SU THIRUNAVUKKARASAR)

(a): Yes, Sir.

(b): In the conference on `India and China challenges and opportunity in the IT Sector` held on 26.6.2003, certain areas of convergence of commercial interest between India and China in the IT Sector were suggested, including development of a joint institutional mechanism to provide state-of-the-art solutions at cost effective prices aimed at cutting out the middlemen.

(c): The suggestions, inter-alia included the following:-

i) Respective core competence in hardware and software as a natural ground of alliance in IT industry.

ii) Profiles of software industries of both countries being complementary, there is scope for cooperation.

iii) Strong international brand recognition of Indian IT firms is an asset that can enrich Indo-China partnership, specially in higher end of value chain.

iv) India-China could concentrate on specific areas of their technological advantage and derive greater benefit than by competing across the spectrum.

v) Olympic Games in Beijing in 2008 provide a good opportunity for Indian and Chinese firms to work together.

The Chinese Government is yet to respond to these suggestions.